

# DAILY REPORT

*China*

Vol 1 No 153

10 August 1981

## PRC INTERNATIONAL AFFAIRS

### UNITED STATES

Reagan-Ar-Sadat Talks May Influence Mideast	B 1
RENMIN RIBAO on Reagan's Middle East Policy [8 Aug]	B 2
RENMIN RIBAO on CIA, Casey Investigation [7 Aug]	B 3

### NORTHEAST ASIA

RENMIN RIBAO on DPRK's New Foreign Policy [4 Aug]	D 1
Remains of CPV Martyr Returned to DPRK for Burial	D 2
Japanese Politician Seeks Security Guarantee	D 2

### SOUTHEAST ASIA & PACIFIC

Further Reportage on Zhao Visit to Philippines	E 1
Zhao, Mrs Marcos View Performances	E 1
Visits Los Bances	E 1
Meets Overseas Chinese Representatives	E 2
Second Round Talks	E 2
Honored at Reception	E 2
Imelda Marcos Potes Zhao	E 3
Discusses Kampuchea	E 4
Discusses Southeast Asia	E 5
Discusses ASEAN, Communist Parties	E 5
Calls Talks 'Fruitful'	E 6
Departs Philippines	E 6
Kuala Lumpur Welcome	E 7

### WESTERN HEMISPHERE

Coverage of Huang Hua Visit to Venezuela, Colombia	J 1
Meets Venezuelan Foreign Minister	J 1
Meets Venezuelan President	J 1
Ends Venezuela Visit	J 2
Arrives in Colombia	J 2
Agrees To Expand Ties	J 2
Huang, Turbay Speeches	J 3

## PRC NATIONAL AFFAIRS

CYL, All-China Youth Federation Convenes Sessions	K 1
Leaders Send Greetings	K 1
Leaders' Thoughts	K 1
Further Meetings	K 2
Song Renqiong, Deng Liqun Speak	K 3
Unite Youth at Home, Abroad	K 3
Peasants' Average Annual Income Reportedly Rises	K 4

XINHUA Notes High-Speed Steel Production	K 3
Banking Journal Reports First Quarter Statistics	K 3
PLA General Political Department on BAN YUE TAN	K 6
PLA Unit Instructed To Complete Project on Time	K 6
Beijing Radio Calls for Studying Resolution	K 7
Vice Premier Yang Jingren Welcomes Athletes	K 8
Gansu Hosts Interregional Meeting on Agriculture	K 8
Correction to Administrative Division Changes	K 9

## PRC REGIONAL AFFAIRS

## EAST REGION

Anhui Army Cadres Being Trained for Civilian Work	O 1
JIEFANG RIBAO on Theory of Continued Revolution [23 Jul]	O 1
Briefs: Anhui Export Trade; Shandong Textile Industry; Shandong Industry; Shanghai Enterprise; Zhejiang Salt Production	O 3

REAGAN-AS-SADAT TALKS MAY INFLUENCE MIDEAST

OM071914 Beijing XINHUA in English 1900 GMT 7 Aug 81

[By XINHUA correspondent Yu Enguang]

[Text] Washington, 7 Aug (XINHUA)--U.S. President Ronald Reagan and Egyptian President Anwar as-Sadat concluded talks here Thursday. The two-day talks were fruitful in some aspects and could have influence upon the Middle East and the relations between the United States and Egypt. However, as in the past, the leaders did not agree on the Palestine problem because the United States rejected the suggestion that the Pales 'ine Liberation Organization be allowed to participate in Middle East peace talks.

As-Sadat visited Reagan during a delicate time for the Middle East. In the past few months, Israel has taken a series of actions to undermine the stability in the Middle East, triggering condemnation from throughout the world. In spite of a cease-fire, the Syrian-Israeli missile crisis in Lebanon has not been defused, and Egyptian-Israeli talks on Palestinian autonomy have been at an impasse since August 1980. Moreover, the Soviet Union, which has long been coveting this strategic area, is exploiting the situation to pursue its policy of southward expansion.

Under such circumstances, As-Sadat's U.S. visit and his first meeting with President Reagan have been regarded as a significant event. The two presidents disclosed in their statements after the talks that they have reached agreement mainly on the following aspects: First, they agreed to coordinate their views on the strategic situation in the Middle East. The two sides would make joint efforts to cope with the growing Soviet threat in the area. Secondly, they agreed to maintain their commitment to the peace process in the Middle East. Reagan promised to "work closely with Egypt as full partners in our search for peace and stability in the Middle East." Public opinion has paid attention to the implication of "full partners." Thirdly, they agreed to enhance the cooperation between the United States and Egypt in the economic and military fields.

On the Palestine problem, As-Sadat stressed repeatedly before and during his U.S. visit that it was necessary to allow representatives from the Palestinian people to take part in future peace talks. He asked the United States to renounce its commitment to Israel on the question of PLO. As-Sadat held that the ceasefire in the Lebanese border has created favorable conditions for peace talks, pointing out that it is a perfect time for the United States to change its policy. Speaking at a banquet on Aug. 5, he said, "If we succeed to achieve tangible progress with respect to the Palestinian problem, a whole new situation will emerge."

Observers here noted that Reagan's position is contradictory to his strategic goal in the Middle East. Since he became President, the U.S. Government has stressed that the most important task in the Middle East is to confront Soviet expansion. To help this objective, the U.S. Government has emphasized that relations with Arab countries should be improved to reach "a strategic consensus." The U.S. Government's partiality to Israel and non-recognition of the Palestinians, however, does not coordinate with its position conveyed in these statements. Reagan's insistence on his original position could not but overshadow his fruitful talks with As-Sadat.

The talks were held at a time when a debate was going on both inside and outside the government in the U.S. about a new comprehensive policy toward the Middle East. Though As-Sadat's proposal on the Palestinian problem has not been accepted, his strong views could exert a measure of impact on this debate.

Israeli Premier Begin, King Husayn of Jordan and Crown Prince Fahd of Saudi Arabia are scheduled to meet with Reagan in the latter part of this year. Whether the U.S. Government will be able to readjust its Middle East policy remains to be seen.

RENMIN RIBAO ON REAGAN'S MIDDLE EAST POLICY

NK090357 Beijing RENMIN RIBAO in Chinese 8 Aug 81 p 6

["Newsletter From America" by correspondent Yuan Xianlu [5913 0341 4389]: "Where Is U.S. Middle East Policy Heading?"]

[Text] The talks between Egyptian President As-Sadat and U.S. President Reagan ended on 6 August. Public opinion here in the United States has generally held that the 2-day talks conspicuously demonstrated that question of how to handle relations with the PLO is a significant key link to the solution of the Middle East problem. The Reagan administration will have to consider this question seriously. According to what was disclosed, the talks between the leaders of Egypt and the United States dealt mainly with the Soviet threat to the Middle East, the conflict between Egypt and Israel, and bilateral relations between Egypt and the United States. However, the question of how to resolve the conflict between Egypt and Israel was the focal point of the talks.

The situation in the Middle East is now at a critical moment. Israel's attack on nuclear facilities in Iraq, followed by its two bombings of Lebanon, indeed caused some new tension. Although the tension was temporarily eased because of a cease-fire between the PLO and Israel, all circles have generally admitted that the cease-fire is "fragile" and that an even more serious conflict could break out any time. Therefore, how to uphold the cease-fire and further stabilize the situation in the Middle East is certainly a question of much concern among world public opinion.

President As-Sadat has undoubtedly hoped to make an effort in this respect through his foreign visits. On his way to the United States, he held special talks on the Middle East question with British leaders in London on 3 August. The two parties unanimously held that the suspended Middle East peace talks should be resumed, and that efforts should be made to make the cease-fire in Lebanon a permanent peace. They also discussed the proposal made by the European Common Market last year on the Middle East question and emphasized that delegates of the PLO must be allowed to participate in the talks for a comprehensive solution to the Middle East question. As the United States has still refused to recognize the PLO, As-Sadat made many statements before he left London and after he arrived in the United States, openly requesting that the United States change its policy and have a dialogue with the PLO.



In view of As-Sadat's public statements, the White House and the State Department made a number of open declarations saying that there is no change in the United States' policy toward the PLO. However, according to what was disclosed by the United States, during the discussions on the Arab-Israeli conflict, it was mainly As-Sadat who expressed his views, while Reagan acted as a "willing listener." In his public speeches after the talks, Reagan avoided talking about the U.S. attitude toward the PLO. He only guaranteed that the United States would continue to play its part in solving the Middle East problem. Although Haig did not agree in his speeches to any change in the policy toward the PLO, he mentioned that the PLO adopted a moderate stand for the sake of a cease-fire. Observers here noted that these subtle reactions by the United States have demonstrated that the Reagan administration has encountered some contradictions in its Middle East policy, and that it is now hesitating about what move to make.

People recall that when Reagan first assumed presidential office, his Middle East strategy emphasized only the Soviet threat and placed the Arab-Israeli conflict in a secondary position. The development of the situation over the past 8 months has demonstrated that checking Soviet expansion in the Middle East and justly resolving the Arab-Israeli conflict are in fact closely related. Some U.S. newspapers noted that facts have forced the Reagan administration to attach importance to the Arab-Israeli conflict and to set about considering and formulating relevant policies. The recent acts of the Israeli authorities, especially their wanton and indiscriminate bombing of Lebanon, have effected a change in U.S. public opinion. Many personalities and organizations which used to show sympathy for Israel have also begun condemning her. In the cease-fire in Lebanon, U.S. presidential envoy Habib was also forced to have talks with the PLO through Saudi Arabia and other countries. However, since there are still some very influential pro-Israeli forces in the United States, while there are still differences of opinion within the Reagan administration, some contradictory policies have resulted, in which the United States regards the PLO as a party to the cease-fire agreement on the one hand and yet insists on not recognizing the PLO on the other.

It is unknown whether President As-Sadat's advice to the United States requesting it to have a dialogue with the PLO will cause the United States to change its attitude toward the PLO. However, one thing is certain: If the United States insists on its current unrealistic attitude of refusing to recognize the PLO, it will be difficult for the Reagan administration to realize its strategic object of checking Soviet expansion in the Middle East.

#### RENMIN RIBAO ON CIA, CASEY INVESTIGATION

HK071215 Beijing RENMIN RIBAO in Chinese 7 Aug 81 p 7

[Article by Yu Enguang [0060 1869 0342]: "A Storm in America's Central Intelligence Agency"]

[Text] In Washington, capital of the United States, a political storm over the question of leadership in the CIA is now going on. For days the Senate has been conducting a face-to-face inquiry and investigation of CIA Director William Casey, and newspapers and television stations have reported and commented on this at great length. What is going on in the CIA? What is in store for William Casey's political career? These are hot topics in this hot summer. This storm was touched off by a report carried in the Washington POST on 14 July, accusing CIA Deputy Director Max Hugel of illegal stock manipulation a few years back. Hugel first denied the truth about this report that day, but submitted his resignation a few hours later. Hugel, a wheeler-dealer from New Hampshire, never had any training in intelligence work. During last year's election campaign, he had done quite a lot for Ronald Reagan under the direction of William Casey. When Casey was appointed director, he named Hugel his deputy and put him in charge of all secret CIA operations abroad, a post which is highly important and sensitive.

On 17 July, the Senate Intelligence Committee began its "preliminary investigation" of Casey's previous business dealings and his performance since taking office. According to local reports, the investigation touched on a decision by a federal judge last May.

It was said that some years ago, as one of the directors of Multiponics, a New Orleans agricultural business venture, Casey misled investors about the finances of the firm and caused them to lose several million dollars. When he was serving as legal adviser to a waste disposal company in New Jersey, the company was accused of having connections with organized crime. On 22 July, before the Senate officially summoned Casey, Intelligence Committee Chairman Barry Goldwater declared before the press: Casey is unfit to continue serving as CIA director and should resign. Two other influential Republicans on the same committee also chimed in with Goldwater and demanded Casey's resignation. Amid this tense atmosphere, the Intelligence Committee summoned Casey for testimony on 24 July. Thus began the "formal investigation." After days of inquiry, Barry Goldwater issued this statement on 29 July: The Intelligence Committee "has not come to the conclusion that William Casey is unfit to continue serving as CIA director." He refused to answer questions raised by reporters and angrily declared that he "wanted to go home." Many people are puzzled by these dramatic developments and there is all kinds of conjecture. From bits and pieces of information revealed by Capitol Hill and the White House, however, people should be able to realize roughly what is behind the whole thing.

The formation of the leading group of the CIA, like other important government departments, is the product of compromise between President Reagan and different factions inside the Republican Party. As reported, Barry Goldwater represents the ultraconservative force. At the beginning of this year, he asked Reagan to appoint Admiral Bobby Inman, whom he regarded as "the finest intelligence official in the world," as the head of the intelligence bureau and opposed Reagan's appointment of William Casey. In the beginning, neither of them was willing to give way but finally they compromised. Casey was appointed head of the bureau and Inman the top deputy. Goldwater was not satisfied with this. Later, he repeatedly criticized the work of the CIA in the capacity of chairman of the Senate Intelligence Committee and held that the CIA under the leadership of Casey was not working effectively and needed to be reorganized. When Max Hugel's case was exposed, Goldwater of course would not let it be glossed over. As he demanded Casey's resignation, he said: "Casey was propped up by the President and the President completely ignored my thoughts, words and actions." The CHRISTIAN SCIENCE MONITOR held: On the Casey issue, President Reagan and Senator Goldwater have again "become directly and ruthlessly antagonistic."

This kind of talk in the U.S. papers is not without grounds. This time Reagan and his team in the White House did not yield to Goldwater. After the incident occurred, Reagan personally and openly expressed his "confidence" and "support" for Casey. His senior assistants made numerous contacts with the Congress and in particular, exerted influence on members of the Republican Party members in the Intelligence Committee through Senate Majority Leader Howard Baker and other Republicans with seniority and prestige asking them to "gloss things over to stay on good terms" and not to blow it up. He also sent word to Goldwater saying that even if Casey had to resign, he would not let Inman become bureau head. At first Casey was rather excited but being backed by the White House, he gradually calmed down. Last week, while he was telling the press that the whole account about him was "a book open to the public" that could stand "examination," he convened a meeting of all the functionaries of the CIA and enumerated his achievements. He also personally wrote to Goldwater and talked separately with over 10 members of the Intelligence Committee. Under such circumstances, Goldwater temporarily receded.

Casey is the first member to be examined by the Senate since Reagan formed the Cabinet. This event involves different aspects. It is a continuation of open strife and veiled struggle inside the Republican Party centering on the formation of Reagan's team. At the very beginning, the ultraconservative factions of the Republican Party brooded on Reagan's not appointing people in accordance with their wishes and had all along been waiting for a chance to launch attacks. At present, three or four secretaries are already targets of attack. The turmoil surrounding the CIA was only an eruption of neither too big nor too small a magnitude of the struggle for power. As long as this kind of open strife and veiled struggle last, this turmoil will never cease.

RENMIN RIBAO ON DPRK'S NEW FOREIGN POLICY

HK071342 Beijing RENMIN RIBAO in Chinese 4 Aug 81 p 7

[Article by Wu Delie [0702 1795 3525]: "New Development of Korea's Foreign Relations"]

[Text] Recently the Korean Workers Party has put forward a new foreign policy, namely, to strengthen its unity and cooperation in the political, economic and cultural fields with peace-loving countries throughout the world, in particular, the countries of the Third World in accordance with the principles of "independence, friendship and peace." Based on this policy, Korea has unfolded a series of diplomatic activities and achieved gratifying results.

In the first half of this year Pak Song-chol, vice president of the Democratic People's Republic of Korea, Premier Yi Chong-ok and others paid friendly visits in turn to Burma, Guinea, Togo, Tanzania, Zimbabwe and Madagascar and held earnest talks with the heads of these states, in which the parties concerned shared the common view that on the stage of international political struggles fierce struggles are being carried out between the forces for people's independence and those for domination. The imperialist forces are trying every means to bring the forces of the developing countries into their spheres of influence and to control major areas of resources and areas of strategic importance. Moreover, what is more serious is that the superpowers are employing various tricks to sow dissension among the people of the Third World countries and aimed at strangling anti-imperialist forces. During the visits, the Korean leaders time and again expressed their willingness to unite with the people of the developing countries to make efforts for safeguarding peace, their opposition to domination and slavery, their active support for the struggle for national independence carried on by the people in various countries in the world and their will to continue to resist and thwart the imperialists' policies of aggression and war.

During his visit to Zimbabwe, Premier Yi Chong-ok held cordial talks with Prime Minister Robert Mugabe. Premier Yi Chong-ok warmly praised the Zimbabwean people for their achievements in their struggle to safeguard the fruits of their revolution and to reconstruct their country. Mugabe stressed his opposition to the interference in the internal affairs of any country by external forces. He maintained that all countries and their peoples must have the right of self-determination without which there is no guarantee for the people to become the masters of their fate.

Last April the Korean Government sent 2,000 tons of wheat to Port Beira in Mozambique as a gift to the Mozambican people to help them overcome drought. Madagascar's Tamatave and Korea's Nampo became friendly cities. Delegations from many countries in Asia, Africa and Latin America come in a continuous stream to Korea to pay friendly visits. Korea has expanded and developed its cultural and economic intercourse and cooperation with many countries. During their visits to foreign countries, the delegations of the Korean Government clearly expounded the three principles of independence, peaceful reunification and great national unity initiated by President Kim Il-song and the program for establishing the Democratic Confederal Republic of Koryo to win the sympathy and support of the world's people. The governments and people of many countries highly appreciated the Korean people's lofty cause for the peaceful reunification of their country. During Vice President Pak Song-chol's visit to Guinea, President Ahmed Sekou Toure said to the Korean delegation with profound feeling that the Guinean people "firmly support the Korean people's just struggle for the independence and peaceful reunification of their motherland." Persons in the political and press circles of many countries have expressed their opposition to and indignation at the Chon Tu-hwan military clique for its intensification of the tension on the Korean peninsula, its conspiratorial activities in creating two Koreas and its preposterous stand for the admission of South Korea and North Korea into the United Nations simultaneously or separately. They have demanded that the U.S. Army should withdraw from South Korea as soon as possible so as to safeguard true peace on the Korean peninsula.



While strengthening its relations of friendly cooperation with the countries in the Third World, Korea pays attention to developing its intercourse with those industrially developed countries that treat it on friendly terms and establishing economic and cultural relations with them. Not long ago, a delegation of the members of the Supreme People's Assembly of Korea visited Japan and held talks with the "Association of the Parliament of Japan and the People's Assembly of Korea." To expand trade, commodities exhibitions of both countries will be held in each other's capitals and both will set up representative trade organs on each other's territory.

#### REMAINS OF CPV MARTYR RETURNED TO DPRK FOR BURIAL

OWO81718 Beijing XINHUA in English 1611 GMT 8 Aug 81

[Text] Pyongyang, 8 Aug (XINHUA)--The burial of the newly discovered remains of a Chinese People's Volunteer [CPV] martyr was held in Kaesong Friday. A Korean People's Army delegation from the Military Armistice Commission and the Kaesong city people's committee conducted the ceremony. The burial site is located at the bottom of Songak Hill near the cemetery of fallen fighters of the Chinese People's Volunteers.

Among those present at the ceremony were Major General Kim Chae-son, deputy chief of the General Staff of the Korean People's Army; Chong Won-kyo major general of the Korean People's Army; Major General Han Chu-kyong, senior member of Korean-Chinese Military Armistice Commission; representatives from the Korean People's Army; and Kaesong residents. Counsellor He Shouming and Military Attache Yu Keshon of the Chinese Embassy in Korea and Gu Zhanhong, senior staff of the Chinese People's Volunteers delegation, also attended the ceremony.

In his memorial speech, Han said the Korean people and the Korean People's Army will never forget the Chinese people and Chinese People's Volunteers who displayed "lofty proletarian internationalist spirit" in the Korean liberation war. He said, "We value the blood-cemented militant friendship between our two peoples and two armies." Chinese Military Attache Yu Keshon said the ceremony expressed the Korean people's memory of CPV martyrs and deep friendship toward the Chinese people.

The martyr's remains (?and) personal belongings were discovered on July 23 by U.S. military personnel south of the Korean military demarcation line and were sent to the northern side Friday.

#### JAPANESE POLITICIAN SEEKS SECURITY GUARANTEE

OWO91230 Beijing XINHUA in English 1223 GMT 9 Aug 81

[Text] Tokyo, 9 Aug (XINHUA)--"As the Soviet Union has built up its military forces in Japan's northern islands, the international situation does not allow Japan to be indifferent to the problem of security guarantee," said General Secretary of Japan Komei Party Junya Yano in Sapporo yesterday. Speaking on the impression of his European visit last spring, Yano said that to realize disarmament, the European countries hold a basic view that only by possessing the strength equal to your rival's can you draw him to the negotiation table. "The problem of security guarantee of our country should get serious consideration," he added. "With a view to safeguarding the security of our territory, the Self-Defence Forces should be made more effective," he said.



FURTHER REPORTAGE ON ZHAO VISIT TO PHILIPPINES

## Zhao, Mrs Marcos View Performances

OWO71706 Beijing XINHUA in English 1539 GMT 7 Aug 81

[Text] Manila, 7 Aug (XINHUA)--Premier Zhao Ziyang and Mrs Ferdinand Marcos today traveled to Laguna Province to attend art performances at the Philippine national art center. The Chinese guests were cheered by Filipinos who came from nearby villages to line the route to the art center. Many held mini Chinese and Philippine flags, and welcoming slogans and Chinese and Philippines flags were hung from lines strung across the route.

After a luncheon, Zhao and Mrs Marcos watched performances by young Philippine artists. Among the performances were folk songs and extracts from dance dramas and ballets. More than 60 children in multi-national costumes sang in Chinese a folk song of China's Wa nationality. Artists also presented an extract of a Philippine fairy dance drama, "The Sultan."

After the performances, Mrs Marcos, in her capacity as founding chairman of the Philippine cultural center and minister of human settlements, expressed a warm welcome to Zhao. She said that despite inclement weather, Zhao and his party came to visit the Philippine rural area to gain a better understanding of the Philippine people and the Philippine Government's rural development plan and to promote the friendship between the two countries. "I am convinced that Premier Zhao's visit will lead to a closer friendship between our two countries for the benefit of our two countries and also the ASEAN and mankind," she said.

Zhao said the great Philippine people have created an excellent national culture, and guided by President Marcos and Mrs Marcos, a new development has been made in that culture, he added. Zhao also praised the artists for their performances and wished the friendship and cooperative relations that exist between China and the Philippines to develop. Zhao presented a bouquet to a representative of the artists.

Among those accompanying Zhao to the art center were Onofre D. Corpuz, Philippine minister of education and culture, and Manuel Collantes, Philippine deputy foreign minister.

## Visits Los Banos

OWO71618 Beijing XINHUA in English 1605 GMT 7 Aug 81

[Text] Manila, 7 Aug (XINHUA)--Chinese Premier Zhao Ziyang and his party, accompanied by Mrs Marcos, continued their visit to Los Banos of Laguna Province and Manila this afternoon. During his visit to the International Rice Research Institute, Premier Zhao was briefed on the achievements of the experts there in wiping out insect pests and breeding new hybrid strains. Premier Zhao also met Chinese scientists studying or working there.

He then visited the residential buildings in the Tadalac fishermen's village (Purok Wadera Imelda project) in Manila. Premier Zhao and other Chinese guests also watched a video tape recorded program depicting the improved life of Philippine fishermen.

The Chinese guests lastly came to the "university of life," where they watched a demonstration of transportation and irrigation devices powered by gasifiers. Mrs Marcos told her Chinese guests that these new products were created by the Philippine people by full use of local resources and self-reliance. Premier Zhao Ziyang expressed appreciation over these achievements of the Philippine Government and people.

#### Meets Overseas Chinese Representatives

OW072158 Beijing XINHUA Domestic Service in Chinese 1641 GMT 7 Aug 81

[Text] Manila, 7 Aug (XINHUA)--Premier Zhao Ziyang met with the representatives of Overseas Chinese and people of Chinese extraction in the Philippines on the evening of 7 August at the Chinese Embassy in the Philippines. More than 100 people including Chairman Gao Zuru and Vice Chairman Chen Yongcai of the board of directors of the Overseas Chinese General Chamber of Commerce as well as Chairman Wu Yongyuan and Vice Chairman Yang Zhenshu of the Filipino-Chinese Friendship Association attended this reception. Zhao Ziyang cordially shook hands with them and had a photo taken as a memento.

#### Second Round Talks

OW081216 Beijing XINHUA in English 1200 GMT 8 Aug 81

[Text] Manila, 8 Aug (XINHUA)--Visiting Chinese Premier Zhao Ziyang and Philippine President Ferdinand E. Marcos held their second round of talks today on board the presidential yacht in Manila Bay. During the more than two-hour talks, the two leaders exchanged views on the world situation, especially the southeast regional situation, and bilateral relations. The talks proceeded in a cordial and friendly atmosphere and in a spirit of mutual trust.

Philippine officials participating in the talks included Mrs Imelda Marcos, Prime Minister Cesar A. Virata, Foreign Minister Carlos P. Romulo and Defense Minister Juan Ponce Enrile. Representatives of China included Minister of Foreign Trade Li Qiang, Vice Foreign Minister Han Nianlong, Deputy Secretary-General of the State Council Chen Chu and Deputy Director of the First Asian Department of the Foreign Ministry Xiao Xiangqian.

#### Honored at Reception

OW081652 Beijing XINHUA in English 1633 GMT 8 Aug 81

[Text] Manila, 8 Aug (XINHUA)--Chinese Premier Zhao Ziyang was the guest of honor at a grand reception given by Prime Minister Cesar A. Virata here this evening. The speaker of the interim National Assembly, Querube C. Makalintal, Deputy Prime Minister Jose A. Rono, Foreign Minister Carlos P. Romulo and Defence Minister Juan Ponce Enrile attended the reception. Accompanied by the senior members of his party, Zhao Ziyang appeared in a new Philippine national costume, a gift from President Marcos.

In their informal conversation, Prime Minister Virata recalled that his country had suffered long from the Spanish colonial rule and later from the American and Japanese rule. But the Philippine people, he said, had not submitted to any of them. Premier Zhao nodded and said that the Philippine people were known for their indomitable bravery. Turning to the traditional friendship between the Philippines and China, Virata noted that Chinese had come to settle down in the Philippines very early and that most of them had become naturalized Philippine citizens. This, he said, accounted for the many similarities in the life styles and culture of the two peoples.

The Chinese premier also chatted with other Philippine officials and members of the diplomatic corps in this capital. The Singapore ambassador told the Chinese premier that he was looking forward to the premier's visit to his country next week.

At the guesthouse in the presidential palace this afternoon, Foreign Minister Romulo conferred on the senior members of the premier's party, Minister of Foreign Trade Li Qiang, Vice Foreign Minister Han Nianlong and Deputy Secretary-General of the State Council Chen Chu the order of Sikatuna with the rank of Datu. On behalf of his colleagues, Li Qiang thanked the Philippine Government for the honor and pledged to go on working for the advancement of Sino-Philippine friendship.

Imelda Marcos Fetes Zhao

OW081932 Beijing XINHUA in English 1912 GMT 8 Aug 81

[Text] Manila, 8 Aug (XINHUA)--Imelda R. Marcos, governor of metro Manila, hosted a grand banquet at the Philippine international convention center here this evening in honour of the visiting Chinese Premier Zhao Ziyang. The banquet was held on the eve of Zhao's departure for the leg of his tour, Malaysia. [sentence as received] Mrs Marcos told the banquet her deep appreciation of the Chinese premier's "timely visit of the Philippines." "You come at the time when our nation has embarked on the most challenging period of the construction and reorganization of our new republic," she said. "We are in turn honoured by the leader of a country whose story is a saga of great struggle and success. Your visit is also significant because it revitalizes the vital historical, social, cultural and economic links between our two countries."

She went on to say that despite the many dangers and turbulences of our time, Philippines and China can still be optimistic about joining hands in "giving to our people the blessing of productive diplomatic endeavors." In conclusion, she said: "History will long note that our people will long cherish this moment of discovery and rediscovery between our two peoples."

In reply, Premier Zhao said: "During the current visit, I have had sincere and friendly talks with His Excellency President Marcos. Both sides are greatly concerned over the tension in Southeast Asia and are resolved to continue our joint efforts to defend peace and security in this region. We both highly value Sino-Philippine friendly relations and will take positive measures to further strengthen these relations. My visit to your country, with its anticipated results achieved, is a complete success."



Thanking Mrs Marcos and the people of metro Manila and the whole country for the thoughtful arrangements, he said, "We were deeply impressed by the clean and beautiful city of Manila, and the achievements scored by the Philippine people in developing their national economy, culture and art. Wherever we went, we were accorded a warm welcome and reception. We will not forget the profound sentiments of friendship cherished by the Philippine people for the Chinese people and the concern and attention given to Sino-Philippine friendship by His Excellency the President and Mrs Marcos."

He pointed out that the exchange of visits between the Chinese and Philippine leaders will significantly help to foster and develop the friendly relations between the two countries. "Mrs Marcos visited China on three occasions and thus made positive contributions to the development and strengthening of the friendly relations between the two countries. Fine memories of her visits are still cherished by the Chinese people. Sino-Philippine friendly relations are based on the five principles of peaceful coexistence. Our two countries have always respected and trusted each other. This is highly valuable. We are full of confidence in the good prospects for the friendly relations and cooperation between our two countries."

Among the more than 2,000 [figure as received] guests at the banquet were Chinese Minister of Foreign Trade Li Qiang, Vice Foreign Minister Han Nianlong, Deputy Secretary-General of the State Council Chen Chu, Deputy Directors of the First Asian Department of the Foreign Ministry Xiao Xiangqian and Liu Junpei, and Charge d'Affaires of the Chinese Embassy in Manila Zhang Jingfang. Speaker of the Philippine interim National Assembly Querube C. Makalintal, Prime Minister Cesar A Virata, Deputy Prime Minister Jose A. Rono, Foreign Minister Carlos P. Romulo, Defense Minister Juan Ponce Enrile and other cabinet ministers were present.

During the banquet, Philippine music and dances were performed. Crowds of people packed the space outside the big hall of the center and on the square to bid farewell to the distinguished Chinese visitor. Firecrackers and fireworks were set off when Premier Zhao walked out of the center. He waved his hand again and again to greet the cheering crowds including a large number of young people in a variety of national costumes.

#### Discusses Kampuchea

OW091250 Beijing XINHUA in English 1240 GMT 9 Aug 81

[Text] Manila, 9 Aug (XINHUA)--Chinese Premier Zhao Ziyang declared at a press conference here today that China will continue to work together with the ASEAN countries for a fair and reasonable solution to the Kampuchean question. In answering a question, Premier Zhao said the New York international conference was successful, a fact that was inseparably linked with the efforts of the ASEAN and other participating countries. The conference denounced Vietnamese aggression, demanded a withdrawal of Vietnamese troops and put forward proposals on the maintenance of peace, neutrality, non-alignment and territorial integrity of Kampuchea.

On these major issues, Zhao pointed out, China and the ASEAN countries hold essentially identical views. There are always differences of various kinds at an international conference, and this is the very reason why meetings for consultations are required; otherwise there'll be no need for such meetings. Premier Zhao expressed particular appreciation of the spirit to seek common grounds while reserving differences and to reach unanimity through consultations, which was adhered to in the conference.



## Discusses Southeast Asia

OWO91320 Beijing XINHUA in English 1308 GMT 9 Aug 81

[Text] Manila, 9 Aug (XINHUA)—Visiting Chinese Premier Zhao Ziyang told a press conference here today: "The root cause of the turbulence in Southeast Asia lies in Soviet global hegemonism and Vietnamese regional hegemonism." Answering a question raised by a correspondent, Zhao Ziyang made an analysis of the current situation in Southeast Asia. He pointed out "the Soviet Union supports Vietnam in its armed invasion of Kampuchea for the purpose of expansion and aggression in Southeast Asia. Therefore, the Kampuchean problem is neither an accidental event nor a regional issue. It is a component part of the Soviet Union's overall strategy for global expansion. If Vietnam is allowed to carry on its expansion, it will not be Kampuchea alone but other Southeast Asian countries as well which will be subjected to its aggression and sabotage. So, the Kampuchean problem is by no means a manifestation of the conflicts of interests between China and the Soviet Union, but a Soviet threat to Southeast Asia and the Pacific Ocean."

The Chinese premier went on to say: "China, ASEAN countries, Japan, the United States, Australia and New Zealand should make common efforts to counter this threat. In its attempt to find a pretext for aggression, Vietnam has made in a big way a hullabaloo about the so-called 'threat from China.' In fact, there never exists any China threat to other countries." "China," he said, "has a vast population and a weak economic foundation. It faces the major tasks of how to solve the problems of food, clothing, housing and education. We need a peaceful international environment and desire friendship with other countries. We would like to reiterate once again that China will never aspire to be a superpower, nor will it seek hegemony, carry out subversive activities against other countries or seek any sphere of influence. It will adhere to the five principles of peaceful coexistence."

Premier Zhao stated: "From where does the threat to southeast countries come from?—This is a question of strategic importance. Failure to make a correct judgement about this would lead to an erroneous policy and incur grave consequences. We are happy to see that the understanding and trust between China and various ASEAN countries is increasing. This is of great importance to the safeguarding of peace and stability in this region."

## Discusses ASEAN, Communist Parties

OWO91337 Beijing XINHUA in English 1326 GMT 9 Aug 81

[Text] Manila, 9 Aug (XINHUA)—Chinese Premier Zhao Ziyang declared at a press conference here today that China sincerely hopes to see peace, stability, prosperity, strength and unity in the ASEAN countries, and the greater their strength and unity, the better. Zhao Ziyang made this remark when he answered a question put by a correspondent about the relations between China and the communist parties in Southeast Asian countries.

Premier Zhao said: "China's relations with the communist parties in the Southeast Asian countries were established long before China established diplomatic relations with these countries. The relations between China and the communist parties in these countries are only political and moral ones." Zhao Ziyang said: "The communist parties in various countries are purely internal matters of these countries. Now each and every country handles such a matter is an affair of its own, and, China does not want to interfere. Neither do we want to interfere in the internal affairs of the communist parties in these Southeast Asian countries."

I. 10 Aug 81

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PRC INTERNATIONAL AFFAIRS  
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"In the past few years China has done its utmost to try to resolve this kind of problems that have been left over from history, so that they will not become obstacles affecting the development of relations between China and the ASEAN countries," Premier Zhao said.

#### **Calls Talks 'Fruitful'**

OWO91346 Beijing XINHUA in English 1330 GMT 9 Aug 81

[Text] Manila, 9 Aug (XINHUA)--Chinese Premier Zhao Ziyang said today that his visit to the Philippines was fruitful and he feels quite satisfied with it. Zhao Ziyang made this statement when he was asked by a Philippine newsmen at a press conference at the presidential palace here this morning before his departure about the major achievement of his visit to the country.

The Chinese premier said, "President Ferdinand E. Marcos and I had very friendly and cordial talks. We touched upon a wide range of issues and exchanged views on the international situation. We discussed urgent problems facing Southeast Asia and the prospect of our bilateral relations. We also exchanged experience in construction in the light of our respective conditions. Our talks were not a general, routine discussion, but an earnest and deep-going exchange of views on the basis of mutual trust."

"Both China and the Philippines," Zhao Ziyang added, "share the same view on a series of important issues. Therefore the talks between the two sides were fruitful and would further promote friendship and cooperation between the two countries." He went on to say, "The talks were also helpful to the promotion of mutual understanding, trust and friendship between China and the ASEAN countries and were favourable to peace and stability in the Southeast Asian region. These are the major achievements of my visit."

Before answering questions, Premier Zhao Ziyang said that his impression of the Philippines was deep and unforgettable. "We have personally felt that President Marcos and his wife attach great importance to the Sino-Philippine friendship. Everywhere we went, we feel the Philippine people's profound friendship to the Chinese people," he said. He added, "During the visit, I have not only seen the natural beauty of the Philippines, but, what is more important, I have seen the great achievements of the Philippine Government and people in developing their national economy and national culture. I have a deeper understanding of your staunch will to safeguard independence and defend peace."

#### **Departs Philippines**

OWO90712 Beijing XINHUA in English 0705 GMT 9 Aug 81

[Text] Manila, 9 Aug (XINHUA)--Chinese Premier Zhao Ziyang and his party left here for Kuala Lumpur by special plane this morning after a 4-day official goodwill visit to the Philippines. Seeing Premier Zhao off at the Manila international airport were President and Mrs Marcos, Prime Minister Cesar A. Virata, Deputy Prime Minister Jose Rono, Speaker of the interim National Assembly Querube Makalintal and other high-ranking officials of the Philippine Government.

When the motorcade arrived at the airport, hundreds of youngsters in colourful costumes of different nationalities began dancing and singing. Premier Zhao, accompanied by President Marcos, reviewed a guard of honour. The national anthems of the two countries were played amidst the firing of 21 salvos.

Upon Premier Zhao's departure, he expressed once again his sincere thanks to President Marcos for the hospitality accorded him. Marcos said Premier Zhao's visit is a success. "I'll certainly always remember your visit," he told the Chinese premier. The two leaders warmly embraced at the foot of the ramp. Mrs Marcos personally garlanded Premier Zhao. Also present at the airport were Zhang Jingfang, charge d'affaires A.I. of the Chinese Embassy, and representatives of Filipinos of Chinese origin and Chinese residents in the Philippines.

#### Kuala Lumpur Welcome

OW092156 Beijing XINHUA Domestic Service in Chinese 1440 GMT 9 Aug 81

[Text] Kuala Lumpur, 9 Aug (XINHUA)--Premier Zhao Ziyang arrived in Kuala Lumpur at noon today for an official good-will visit to Malaysia. He was warmly welcomed by Malaysian Prime Minister Mahathir Mohamed and other ranking government officials.

In a written statement issued at the airport, Zhao Ziyang conveyed the Chinese people's cordial regards and good wishes to the Malaysian people and expressed thanks for the warm welcome accorded to him by the Malaysian Government and people. He said: "There has been a longstanding traditional friendship between the Chinese and Malaysian peoples. Thanks to the joint efforts of the two governments and peoples, the friendly relations and cooperation between China and Malaysia have been developing steadily in recent years. I have come to your esteemed country with the desire to further enhance understanding, strengthen friendship and promote cooperation, and I believe that this desire of ours will be attained."

Zhao Ziyang's special plane touched down at the Kuala Lumpur international airport at 1150. He was greeted at the ramp by Prime Minister Mahathir. Also greeting him at the airport were Deputy Prime Minister and concurrently Minister of Home Affairs Musa Hitam, Foreign Affairs Minister Ghazali, Minister of National and Rural Development Sanusi and others. Accompanied by Prime Minister Mahathir, Zhao Ziyang drove to the Parliament House, and attended an official welcoming ceremony there. When the two prime ministers ascended the reviewing stand the military band played the national anthems of the two countries. After reviewing the honor guards, Mahathir introduced Zhao Ziyang to the ministers of the various ministries of the Malaysian Government and to the diplomatic corps. Then, accompanied by Mahathir, Zhao Ziyang went to the Malaysian guesthouse.

Chinese Foreign Trade Minister Li Qiang, Vice Foreign Minister Han Nianlong and Deputy Secretary General of the State Council Chen Chu, who are accompanying Zhao Ziyang during the visit, also arrived in Kuala Lumpur on the same plane. Also greeting Zhao Ziyang and his party at the airport was Ye Chengzhang, Chinese ambassador to Malaysia.



COVERAGE OF HUANG HUA VISIT TO VENEZUELA, COLOMBIA

**Meets Venezuelan Foreign Minister**

OWO51924 Beijing XINHUA Domestic Service in Chinese 1242 GMT 5 Aug 81

[Text] Caracas, 4 Aug (XINHUA)--Chinese Vice Premier and Foreign Minister Huang Hua and Venezuelan Minister of Foreign Affairs Jose Alberto Zambrano Velasco held talks lasting 3 hours here today on bilateral relations and international issues of mutual concern. The talks proceeded in a friendly atmosphere.

The two sides held that the meeting of foreign ministers in preparation for the convening of the international meeting on cooperation and development had reached its goal as expected. The just-concluded meeting had made arrangements and created a favorable atmosphere for the summit meeting to be held in October this year. They also held that the recent international conference on Kampuchea was a success. In the talks, Zambrano said that he was very pleased to see the relations between the two countries becoming ever closer. Huang Hua stressed that the Chinese Government and people were convinced that Venezuelan President Herrera's visit to China, which was scheduled for early November this year, would further promote the relations between the two countries.

Yesterday evening, Zambrano gave a banquet in honour of Huang Hua and his wife He Liliang. Both sides praised the friendship between China and Venezuela. Attending the talks and banquet were Venezuelan minister of information and tourism, director of the office of central coordination and planning, minister of state for science and technology and chairman of the foreign trade commission. Attending the two occasions were Pu Shouchang, Chinese vice minister of foreign affairs, and Wei Yongqing, Chinese ambassador to Venezuela.

**Meets Venezuelan President**

OWO71318 Beijing XINHUA in English 1303 GMT 7 Aug 81

[Text] Caracas, 6 Aug (XINHUA)--Venezuelan President Luis Herrera Campins told the visiting Chinese Vice Premier and Foreign Minister Huang Hua yesterday that the Chinese people have a strong attachment for the developing Asia, Africa and Latin America and that Venezuela sets great store by its relations with China. The president received the Chinese vice premier and his wife He Liliang at the Miraflores (presidential) Palace yesterday afternoon and had very friendly conversations with them.

Huang Hua said during the meeting that both China and Venezuela are developing nations and are confronted with similar problems in their efforts to develop national economy and raise the people's living standards. It is good for the two countries to exchange experience and learn from each other, he said. In the current turbulent and changing situation, Huang Hua went on, more contacts and consultations between the two countries and coordination of their stand conform not only to the interests of the peoples of the two countries but also to the desire of the peoples to maintain world peace.

President Herrera pointed out that Venezuela and China have many points in common in the field of their international policies. "Both our two countries desire independent development and have the firm will to face up to the threats posed by superpowers blocs. Our two countries also desire justice for the peoples and peace for the world," he said. The president went on to say that China has many friends in Venezuela and elsewhere in the world who greatly admire the Chinese people for their untiring efforts in realizing socio-economic and political reforms.



Present on the occasion were Chinese Ambassador Wei Yongqing and Venezuelan Ambassador to China Regulo Burelli Rivas. On the afternoon of August 4, the first vice president of Venezuela's Chamber of Deputies, Felipe Montilla, on behalf of the president of the chamber, received Huang Hua and his entourage at the Parliament House.

#### Ends-Venezuela Visit

OW071640 Beijing XINHUA in English 1634 GMT 7 Aug 81

[Text] Caracas, 7 Aug (XINHUA)--Chinese Vice Premier and Foreign Minister Huang Hua left for Colombia today after visiting Venezuela. Huang Hua held official talks with Venezuelan Foreign Minister Zambrano Velasco and was received by Venezuelan President Luis Herrera Campins after arriving here on August 3.

Huang Hua and his party on Wednesday visited Orinoco steel plant, aluminum of Caroni and Guri hydro-power station in Guayana, a base of heavy industry in the east. They toured the Maracaibo region, which produces more than 60 percent of the country's petroleum, on Thursday.

#### Arrives in Colombia

OW081259 Beijing XINHUA in English 1231 GMT 8 Aug 81

[Text] Bogota, 7 Aug (XINHUA)--China and Colombia should increase consultations on international issues because the two countries have a common desire to maintain world peace, said Chinese Vice Premier Huang Hua here this morning. Upon his arrival in Colombia after visiting Venezuela, Huang Hua, who is also China's foreign minister, said he hoped his three-day visit will strengthen the understanding and friendship between Colombia and China. "The developing countries are faced with many identical problems," he said. "Therefore, we should learn from and cooperate with each other in many fields."

Colombian Foreign Minister Carlos Lemos, who welcomed the vice premier at the airport, told XINHUA that the Colombian Government attaches great importance to Huang Hua's visit. Lemos said that during the visit, he hopes to exchange views on issues of common concern with Huang Hua and to discuss issues related to world peace.

#### Agree To Expand Ties

OW081550 Beijing XINHUA in English 1513 GMT 8 Aug 81

[Text] Bogota, 7 Aug [date as received] (XINHUA)--China and Colombia agreed today on their common desire to strengthen their relations in all fields. This was indicated by Colombian President Julio Cesar Turbay Ayala and Chinese Vice Premier and Foreign Minister Huang Hua in their friendly and cordial talks here today.

Huang and his wife were invited to watch a military parade with Turbay and his wife after the meeting. Chinese Deputy Foreign Minister Pu Shouchang and Chinese Ambassador to Colombia Zhao Zhengyi were present during the meeting and parade.

Colombian Ambassador to China Julio Mario Santo Domingo and his wife gave a dinner party tonight for Huang and his wife. Among those present at the party were Turbay, Foreign Minister Lemos Simmonds, Minister of National Defence Canacho Leyva, former President Misael Pastrana and their wives.

Huang, Turbay Speeches

OWO91920 Beijing XINHUA in English 1900 GMT 9 Aug 81

[Text] Bogota, 8 Aug (XINHUA)--President Turbay Ayala said here today that Chinese Foreign Minister Huang Hua's visit to Colombia afforded an opportunity for the two countries to exchange their views on issues of the Far East and the Caribbean and other international problems.

He added that it was useful for his country to know what China, a country with one billion population, thought of these problems. The president was addressing a dinner party he and Mrs Turbay Ayala hosted at noon today in honour of the Chinese foreign minister.

The president went on to say that no one could break the Colombian-Chinese friendship cultivated by the efforts of both countries. Colombia, he said, wished to enhance its cooperation, and technical cooperation in particular, with China because China is a developing country and its experience is more workable and useful for Colombia than that of the industrialized countries.

Huang Hua thanked the Colombian Government for the hospitality accorded him. He pointed out that the two countries were brought closer to each other by their common destiny and the problems confronting them.

He said that he had discussed with Colombian Foreign Minister Lemos Simmonds a number of international issues and particularly such troubled spots as Afghanistan, Kampuchea and the Caribbean. They also discussed matters concerning the South-North dialogue and the establishment of a new international economic order.

Huang Hua told his hosts that China had much to learn from Colombia and would be glad to acquaint the Colombian Government with its own experience and knowledge if they were considered useful.

Chinese Vice Foreign Minister Pu Shouchang and Chinese Ambassador to Colombia Zhao Zhengyi were present. The banquet was attended by former President of Colombia and leader of the ruling Liberal Party Alberto Lleras, former President and leader of the main opposition Conservative Party Misael Pastrana, Foreign Minister Lemos Simmonds, other government ministers and Colombian Ambassador to China Julio Mario Santo Domingo.

CYL, ALL-CHINA YOUTH FEDERATION CONVENE SESSIONS

## Leaders Send Greetings

OWO71240 Beijing XINHUA in English 1216 GMT 7 Aug 81

[Text] Beijing, 7 Aug (XINHUA)--The third plenum of the tenth Central Committee of the Chinese Communist Youth League started its nine-day session here today. The 234 members and alternate members of the CYL Central Committee will hear a report on the 6th plenum of the 11th Central Committee of the Chinese Communist Party and discuss how to implement the guideline of the party plenum. The session will review the youth league work over the past year since the last session ended and put forward tasks for the future.

The agenda will also include discussions on how to do political and ideological work among the 190 million young people between 14 and 25, how to arm them with Marxism-Leninism and Mao Zedong Thought and educate them to become vanguards in the country's modernization drive. The meeting will also elect additional members to the Central Committee.

Alongside this session, the second session of the fifth national congress of the All-China Youth Federation is also being held. At the joint opening session of the two meetings, letters of congratulation from Marshals Xu Xiangqian and Nie Rongzhen, members of the Political Bureau of the party Central Committee, and from Tan Zhenlin, vice chairman of the Standing Committee of the National People's Congress, were read out, which called on young people to overcome every difficulty to advance the revolutionary cause pioneered by revolutionaries of the older generation.

## Leaders' Thoughts

OWO71320 Beijing XINHUA in English 1223 GMT 7 Aug 81

[Text] Beijing, 7 Aug (XINHUA)--Three veteran revolutionaries Xu Xiangqian, Nie Rongzhen and Tan Zhenlin today called on Chinese young people to carry on the revolutionary cause pioneered by the older generation. They made the call through their letters to the third session of the tenth Central Committee of the Communist Youth League and the second session of the fifth national congress of the All-China Youth Federation, which opened here this morning.

Marshal Nie Rongzhen said in his letter: "You young people are the future of the country on whom we place our hopes." He urged the league and federation members to fight for their goals. "When we of the older generation were young we were imbued with determination to fight against the dark force of the old society. We had lofty ideals of establishing a new China and this became true. You the younger generation must also have ideals. You must take the relay baton from the hands of the older generation, overcome difficulties and create a modern new China with a high degree of material and spiritual civilization," Nie Rongzhen wrote. He expressed the hope that China's young people would not become downhearted because of difficulties. Today's problems, he said, cannot be compared with those met by the older generation in challenging the old order. "Our present difficulties are but temporary; they are obstacles encountered on the road of advance in building a new world," he said.

Marshal Xu Xiangqian wrote from the port city of Dalian in Liaoning Province: "Youth is a dynamic force in socialist revolution and construction." He encouraged them to learn from Lei Feng and foster a new spirit and carry forward the fine traditions of the party and the Communist Youth League, thus making new contributions to the modernization and defence of the socialist country.



In his letter, Tan Zhenlin, vice chairman of the Standing Committee of the National People's Congress, said: "In all our work, we have to rely on young people. This is the case at present and so will it be in the future." He expressed the hope that youth would set strict demands upon themselves so that they would be equal to the present revolutionary tasks and truly become strong, comradely supporters of the party in the future.

#### Further Greetings

00080007 Beijing XINHUA Domestic Service in Chinese 1550 GMT 7 Aug 81

[Text] Beijing, 7 Aug (XINHUA)--The 3d plenary session of the 10th Central Committee of the Chinese Communist Youth League and the 2d session of the 5th national congress of the All-China Youth Federation opened in Beijing on 7 August and held joint plenary sessions. A number of old comrades of the CCP Central Committee sent messages to the sessions expressing the earnest hope that under the leadership of the party the CYL will continue to fully assume its role as the close assistant of the party and become the core of unity and education for the broad masses of young people. They hoped that the younger generation will foster revolutionary ideals, take the relay baton from the hands of the older generation, fear no difficulties, courageously march forward and create a new China with a high degree of material and spiritual civilization.

The main priorities of these two sessions are to study the guidelines laid down by the 6th Plenary Session of the 11th CCP Central Committee and separately sum up and study the work of the CYL and the All-China Youth Federation. The party Central Committee is extremely concerned over and attaches great importance to these two sessions. Old comrades, including Xu Xiangqian, Nie Rongzhen, Peng Zhen, Deng Yingchao, Wang Zhen, Hu Qiaomu, Tan Zhenlin, Bo Yibo and others, also wrote letters to the sessions and telephoned them to extend their greetings, express their hopes and put forward their demands.

Over the telephone, Comrade Xu Xiangqian said: Youth is a dynamic force in socialist revolution and construction. It is hoped that all of you will learn from Lei Feng, foster a new spirit and continue the fine traditions of the party and the Communist Youth League, thus making new contributions at your posts to developing the four modernizations program and safeguarding the socialist motherland.

In his letter, Comrade Nie Rongzhen said: Young people are the future of the country, and on them we place our hopes. When looking at the development of a country or a nation, we must first see how people of the younger generation live or grow. We are now faced with many difficulties in society. However, these difficulties cannot be compared with the ones met by the people of the older generation in the past in challenging the old order. Our present difficulties are only temporary; they are obstacles on the road to building a new world. Young people should not become downhearted because of difficulties. Still less should they fear these difficulties and end up taking the wrong road by mistake, adhering to evil ways and being hoodwinked by the enemy and bad elements. Young people must have ideals. They must let the torch of the Chinese nation pass on from one generation to another, let the nation forever stay in the ranks of the advanced nations of the world and make due contributions to the realization of communist ideals for mankind.

In his letter, Comrade Wang Zhen expressed the hope that China's young people would inherit the glorious revolutionary tradition, study hard for the motherland's socialist construction and lengthy, peaceful reign and consciously observe revolutionary discipline and state laws and decrees. He hoped that China's young people would link the lofty communist ideal with the spirit of seeking truth from facts, work hard for the prosperity of the country and make outstanding contributions for the motherland's four modernizations, world peace and social progress.



Comrade Hu Qiaomu asked the responsible comrade of the CYL Central Committee to relay this message to the session: It is my hope that the CYL will become a core which unites and educates young people. We must fear no difficulties and make healthy trends prevail against perverse ones. The party must use every method to support healthy trends prevailing over perverse ones. It is necessary to educate young people to understand that the socialist system is much better than the capitalist system and that this can be proved by numerous facts. In addition, we must also tell young people that a good socialist system does not automatically solve all problems. Our advanced elements must work hard to solve the large number of questions. We have the ability to eliminate the worst things in society. Young people must be vanguards to launch struggle against them and must not be discouraged by temporary defeat or frustration in the course of the struggle. It is necessary to learn how to soberly analyze a question. It is necessary to have firm convictions and great willpower. The CYL must use all methods to strengthen political and ideological work among young people and become their good teacher and close friend. The party must support the CYL's work in many fields.

In his letter, Comrade Tan Zhenlin expressed the hope that youth would set strict demands upon themselves so that they would be equal to the present and future revolutionary tasks and truly become the strongest comradely supporters of the party Central Committee.

Comrade Bo Yibo wrote to say: Under the leadership of the CCP, China's young people have a glorious revolutionary tradition. Lenin said: "We are a party of reformers. Young people are always more willing to follow reformers. Ours is a party untiringly struggling against old, decayed things, and young people always take the lead to devote themselves to the struggle." Comrade Bo Yibo expressed the hope that all CYL members and young people throughout the country would, under the leadership of the party, hold high the victorious banner of Marxism-Leninism-Mao Zedong Thought, inherit and develop the glorious revolutionary tradition and devote themselves to building our great country gradually into a powerful, highly democratic, highly civilized modern socialist state.

The concern and encouragement of the party Central Committee and leading comrades of the older generation greatly enlightened and inspired the more than 600 members who attended the 2 sessions. They voiced the determination to live up to the expectations of the party Central Committee and the older generation and to strive to shoulder the glorious task entrusted to youth by history.

Song Renqiong, Deng Liqun Speak

OW090828 Beijing XINHUA Domestic Service in Chinese 1427 GMT 8 Aug 81

[Text] Beijing, 8 Aug (XINHUA)--The 3d plenary session of the 10th CYL Central Committee and the 2d session of the 5th national congress of the All-China Youth Federation held a joint plenary meeting on the morning of 8 August.

Song Renqiong, member of the CCP Central Committee Secretariat, addressed the meeting, at which Deng Liqun, director of the research office of the Secretariat, gave a guidance lecture on the study of the "Resolution on Certain Questions in the History of Our Party Since the Founding of the PRC." In the lecture, Deng Liqun dwelt particularly on the section of "Comrade Mao Zedong's historical role and Mao Zedong Thought" in the "resolution."

Unite Youth at Home, Abroad

OW091221 Beijing XINHUA in English 1200 GMT 9 Aug 81

[Text] Beijing, 9 Aug (XINHUA)--The All-China Youth Federation in a work report delivered today at the second session of the fifth national congress underlined the federation's task as uniting with youth both at home and abroad and enhancing friendship. The report, made by Liu Weiming, vice chairman of the federation, to the 351 delegates attending, emphasized the federation's task of uniting the youth of the nation to implement the guideline of the 6th plenum of the 11th Central Committee of the Chinese Communist Party.

He said that to rally the youth around the federation, it should bear their interests in mind. He listed examples of how the federation collected funds from various sources to sponsor small collective enterprises run by the young people, thus, providing more employment.

The federation also set up "youth self-study consultancy centers" or night classes in various places that help train young people in many fields ranging from technical know-how, foreign languages, music, bookkeeping to classical literature.

To provide the young people with more opportunities to find the right spouse, the federation set up marriage consultancies, and organized various kinds of social activities.

Liu Weiming also reported on the federation's contacts with youth organizations abroad. Since the first session, held over two years' ago, the federation had sent 48 delegations with a total of 405 members abroad and received 95 youth delegations with 951 members from abroad. The federation had exchanged visits with youth organizations of 70 countries and regions of which 70 percent are Third World countries. It has established contacts with 250 youth and student organizations of 90 countries and regions. These contacts have helped promote friendship and scientific and technological exchange, he added.

The youth tourist trade sponsored by the federation has been conducted in the spirit of making more foreign friends, he noted. By the end of June, the youth tourist agency had received 550 tourist delegations of 16,300 people.

In his report, Liu Weiming also stressed the importance of uniting with youth of minority nationalities, religious groups, Overseas Chinese and of Hong Kong, Macao and Taiwan province.

The All-China Youth Federation was set up in May 1949. The federation now has a membership of 170 million embracing the membership of the Chinese Communist Youth League, the all-China students' union, the YMCA and other youth organizations of different circles, nationalities, democratic parties and religious beliefs.

#### PEASANTS' AVERAGE ANNUAL INCOME REPORTEDLY RISES

OW081322 Beijing XINHUA in English 1206 GMT 8 Aug 81

[Text] Beijing, 8 Aug (XINHUA)--The income of China's peasants increased for three consecutive years from 1978 through 1980, according to figures released by the Ministry of Agriculture here today. In 1980, the average income for each rural inhabitant was 155 yuan, 97 yuan from the collectives and 58 yuan from household sideline production. This was 2.31 yuan more than the 1979 figure, 11.83 yuan more than in 1978, and 21.06 yuan more than in 1977. In the cities of Beijing and Tianjin, in Tibet and in Liaoning and Shandong Provinces the average increase ranged from 47 yuan to 83 yuan between 1978 and 1980.

The growth of the collective economy is the chief factor contributing to the increased income, a spokesman for the Ministry of Agriculture said. He said that in 1980 there were 12 provinces, municipalities and autonomous regions where per-capita income from the rural collectives averaged over 100 yuan. And 26.1 percent of all production teams in China had a per-capita annual income from the collectives exceeding 100 yuan.

The number of production brigades with an annual per-capita income from the collectives exceeding 300 yuan increased from 1,622 to 5,569 in 1980.

Last year, the Chinese peasantry derived more earnings than ever before from livestock and poultry breeding, household handicrafts such as embroidery and plaiting, and from private farm plots or hillside land allocated to them for growing trees and shrubs and for collecting firewood.

In March this year, the Chinese Communist Party Central Committee and the State Council issued a joint circular, encouraging rural collectives and individuals to continue to diversify their sources of income.

The lifting of state purchase prices for farm and sideline produce, the reinstatement of the system of individual responsibility for farm work and the opening of more rural markets were also contributing factors in the increased incomes for peasants, the ministry spokesman said.

#### XINHUA NOTES HIGH-SPEED STEEL PRODUCTION

OWO71125 Beijing XINHUA Domestic Service in Chinese 0245 GMT 7 Aug 81

[Excerpts] Beijing, 7 Aug (XINHUA)--According to XINHUA reporter Xu Yaoshong, the situation of importing high-speed steel into China has changed over the past years. At present China can produce this type of steel to meet the needs of consumers at home. This is a welcome achievement made by the Chinese metallurgical industry through the implementation of the national economic readjustment policy.

The output of China-made high-speed steel has been plentiful over the past years but our country still has to spend tens of millions of U.S. dollars each year to import several thousands of dun of such steel. This is mainly due to the fact that 95 percent of the tens of thousands of dun of China-made high-speed steel contains a high percentage of tungsten which is not liked by consumers. Consumers prefer high-speed steel containing both tungsten and molybdenum, which is more durable and can be made into various kinds of rolled steel and has a high degree of plasticity.

XINHUA editor's note: Reading this report makes us feel excited. It shows that in the period of economic readjustment, although having reduced its output the metallurgical industry has done a good job in increasing the variety of products and improving their duality. This will add greatly to the state's wealth.

In the cause of economic readjustment, the question has been raised as to how the heavy industry should change its orientation of service. The machine-building, chemical and other heavy industry departments should change their orientation of service so as to directly or indirectly serve agriculture, light industry and the technical reform of the existing industrial departments. The heavy industry has not only not lightened but expanded its tasks. We have no reason to say that there is nothing but passiveness and slackness among the heavy industry departments during the period of economic readjustment. [end editor's note]

#### BANKING JOURNAL REPORTS FIRST QUARTER STATISTICS

OWO71642 Beijing XINHUA in English 1535 GMT 7 Aug 81

[Text] Beijing, 7 Aug (XINHUA)--China's gold reserves at the end of the first quarter of this year were 12.8 million troy ounces, the same as at the end of 1980, according to the latest issue of BANKING IN CHINA, a financial magazine issued by the People's Bank of China. Foreign exchange reserves were \$2,361 million, 99 million yuan more than at the end last year.

Total loanable funds by the end of the first quarter of the year were 255,772 million yuan (renminbi), 6,654 million yuan less than at the end of 1980. Of this, deposits by international monetary institutions amounted to 5,181 million yuan, which was 1,754 million yuan more than the figure at the end of last year; and currency in circulation was 32,562 million yuan, which was 2,058 million yuan less than at the end of last year.



Total bank loans came to 255,772 million yuan by the end of the quarter, 6,634 million yuan less than at the end of 1980. Of this, commercial loans came to 134,108 million yuan, 9,594 million yuan less than at the end of last year; short and medium term loans for buying equipment totalled 5,422 million yuan, 128 million yuan less than at the end of last year, and industrial and commercial loans to collective and individual enterprises in the cities and towns came to 8,072 million yuan, 243 million yuan more than at the end of last year. Gold purchases were 1,216 million yuan, the same as at the end of last year, and foreign exchange purchases were 269 million yuan positive (renminbi) as against the 847 million yuan minus at the end of last year.

PLA GENERAL POLITICAL DEPARTMENT ON BAN YUE TAN

OWO90859 Beijing Domestic Service in Mandarin 0900 GMT 8 Aug 81

[Text] The Propaganda Department of the PLA General Political Department recently issued a circular throughout the army, recommending to the latter the semimonthly BAN YUE TAN published by the XINHUA NEWS AGENCY. The circular says: This magazine timely transmits the essence of the central authorities' relevant instructions. It is comparatively rich in content and simple and clear in writing. It is a publication that disseminates scientific and cultural knowledge and is helpful to us in educating basic-level cadres and the masses and in strengthening our ideological and political work. The circular calls for all army units to pay attention to using the semimonthly BAN YUE TAN to educate their members.

PLA UNIT INSTRUCTED TO COMPLETE PROJECT ON TIME

OWO92132 Beijing XINHUA Domestic Service in Chinese 1141 GMT 9 Aug 81

[Text] Beijing, 9 Aug (XINHUA)—According to JIEFANGJUN BAO, Li Renlin, director of the general office of the PLA Capital Construction Engineering Corps, and others recently visited the worksite of the surgical unit building of the hospital of plastic surgery under the Chinese Academy of Medical Science to solicit opinions and criticism and take part in labor.

Last year the No 9 company of a unit under the PLA Capital Construction Engineering Corps accepted the construction project of the surgical unit, which has a construction space of 5,428 square meters, and promised in the contract that it would be completed by the end of this year. However, the company was transferred to other areas to carry out other projects and consequently, only part of the building's groundwork was completed in nearly 8 months. If the surgical unit building cannot be completed on time, surgery for several thousand patients cannot be performed. For this reason the anxious leaders and staff of the hospital presented their criticism in a letter to the superior department. After the letter was referred to the Capital Construction Engineering Corps, the corps party committee studied it seriously and maintained that the promise stipulated in the contract must be kept and that the construction of the building should not be postponed casually. The party committee of the corps therefore urged the unit concerned to strictly abide by the contract and do all it can to complete the project by the end of this year.

In light of this matter the Capital Construction Engineering Corps also issued a circular to all affiliated units on 20 July urging them to improve their discipline and work style, to make an overall review of the projects they have accepted and to take prompt actions to solve whatever problems that have been discovered. The circular instructed that all units must adhere to high standards, set strict requirements for themselves, further straighten out their business ideas and style, improve construction quality, shorten the period for construction and keep their promises so as to win the people's confidence.

I. 10 Aug 81

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CHINA  
PRC NATIONAL AFFAIRS

On 28 July Li Renlin; Li Guang, deputy political commissar; and Zhang Kongxiu, deputy director and concurrently chief of staff of the corps, visited the worksite to inspect the progress of the construction. Braving sweltering heat, they also took part in labor with the 100 or so office cadres and fighters they brought to the worksite. During a break they chatted with the hospital's leaders and also the cadres who are in charge of the construction, solicited their opinion and urged the men of the unit to complete the project properly.

#### BELJING RADIO CALLS FOR STUDYING RESOLUTION

OW081317 Beijing Domestic Service in Mandarin 0400 GMT 8 Aug 81

[Station commentator's article: "Communist Party Members Should Take the Lead in Thoroughly Studying the Resolution"]

[Text] The "Resolution on Certain Questions in the History of Our Party Since the Founding of the PRC" adopted by the 6th Plenary Session of the 11th CCP Central Committee is a great historical document and a valuable teaching aid for reeducating party members, especially party cadres. With great revolutionary enthusiasm people throughout the country are conscientiously studying and implementing the resolution. Communist Party members should take the lead in thoroughly studying the resolution in order to be models in studying and implementing it.

The basic purpose of studying the resolution is to draw lessons from historical experiences, to acquaint ourselves with the direction of our continuing advance, to guide our actions and to improve our work performance. Many comrades admitted to our party since the start of the Great Cultural Revolution do not understand the history of our party's protracted struggle. Even cadres who have been party members for a long time lack a systematic and scientific understanding of our party's historical experiences. Therefore, we should all study our party's history and historical experiences. In studying history, we seek to learn how to face reality and the future. On the basis of drawing lessons from historical experiences, we should unite as one, look forward and focus our attention on unresolved problems.

By studying the resolution, we should uphold and develop what is correct, eliminate the influence under which we made mistakes in the past and avoid making similar mistakes. On the basis of drawing lessons from historical experiences, we should unify our thoughts, strengthen and give full play to our vanguard and exemplary role as Communist Party members in implementing the party's line, principles and policies laid down since the 3d Plenary Session of the 11th CCP Central Committee.

In studying the resolution, we should freely express what we think and should not get entangled in minor details of some historical events. In dealing with historical issues, we should pay attention to their major details instead of their minor ones. Communist Party members should be the first to do so in this regard and should do more work to unite the people.

Studying the resolution is a central task for the whole party in the latter part of this year. Communist Party members and cadres should set strict demands on themselves in studying the resolution to understand and grasp its essence and should not be satisfied with a superficial understanding of it.

In some units, conscientious study of the resolution has now become "doing as one pleases," and discussion has started to "ramble." This situation must be changed. In studying the resolution, we must pay attention to actual results and grasp its essence. Through this study, we must raise our consciousness in upholding the four basic principles and work ever harder and more dutifully in building a modern, powerful socialist state under the great banner of Marxism-Leninism-Mao Zedong Thought.



VICE PREMIER YANG JINGREN WELCOMES ATHLETES

OW081208 Beijing XINHUA Domestic Service in Chinese 1638 GMT 6 Aug 81

[Excerpt] Beijing, 6 Aug (XINHUA)—A tea party was held this evening in the Great Hall of the People by the State Physical Culture and Sports Commission, the Ministry of Education and the All-China Sports Federation to welcome a Chinese university students sports delegation that took part in the 11th World University Games and the Chinese badminton team returning from the first world athletic meet.

Vice Premier Yang Jingren of the State Council was among the more than 500 people attending the tea, including all members of the Chinese university students sports delegation and the Chinese badminton team, as well as representatives of the coaches and sportsmen in Beijing.

Vice Minister Xu Yinsheng of the State Physical Culture and Sports Commission presided over the tea party.

Yang Jingren spoke at the party. He said: While celebrating our victories, we should also see that we are still not at a high level in quite a number of events in which we still remain fairly far behind the advanced world levels. What we should do is to carefully sum up experience, apply the law that one divides into two in seriously assessing our results in the contests, improve our achievements, overcome our shortcomings and undergo still more rigid training to strive to raise our level in sports. At present, people in the whole party and the whole country are studying the "Resolution on Certain Questions in the History of Our Party Since the Founding of the PRC." It is hoped that, in studying the "resolution," comrades on the sports front will pay attention to combining the study with the actual condition of sports work, unify thinking and strengthen unity to more successfully carry out sports work.

Rong Gaotang, leader of the Chinese sports delegation and vice minister of the State Physical Culture and Sports Commission, summed up the achievements gained by the delegation at the World University Games.

Education Minister Jiang Nanxiang also spoke at the tea party.

Also present at the tea party were responsible persons of the State Physical Culture and Sports Commission, Ministry of Education and other concerned departments Li Menghua, Zhong Shitong, Gao Dengbang, Gao Yi, Wu Xue, Chen Xinren, Lin Zhong, Gao Zhanxiang, Zhang Ruiying, Lin Liyun, Han Fudong and Bai Jiefu.

GANSU HOSTS INTERREGIONAL MEETING ON AGRICULTURE

SK090814 Lanzhou Gansu Provincial Service in Mandarin 1125 GMT 8 Aug 81

[Text] Sponsored by the national commission for natural agricultural resource surveys and for zoning of agricultural areas, an experience exchange meeting on county-level agricultural zoning work in northwest China concluded on 7 August. Attending the meeting were responsible comrades of the agricultural zoning offices of Nei Monggol, Shanxi, Shaanxi, Qinghai, Xinjiang, Ningxia and Gansu and responsible comrades of counties, cities and banners who distinguished themselves in this field. The meeting heard reports on the progress of county-level agricultural zoning work, exchanged experiences and discussed ways to improve the quality of this work, to apply the achievements in agricultural zoning in promoting a diversified economy and to make it better serve the current agricultural readjustment.



The meeting disclosed that agricultural zoning work is in full swing in northwest China. At present, 276 counties, cities and banners have completed or are engaged in agricultural zoning work; that is, 54 percent of all counties, cities and banners in northwest China. In this work all localities have linked production with reality and have made remarkable achievements in grasping crucial points which may affect agricultural development and in applying the achievements of the survey to production. Participants held that agricultural zoning work will play an active role in promoting agricultural production.

The meeting was presided over by (Zhu Zeming), director of the office of the national commission for natural agricultural resource surveys and for zoning of agricultural areas. He Kang, vice minister of the State Agricultural Commission, delivered a speech at the end of the meeting on ways to do a better job in agricultural zoning.

CORRECTION TO ADMINISTRATIVE DIVISION CHANGES

The following corrections should be made to the article entitled "Administrative Division Changes Approved" found on pages K 8-10 of the 30 July China DAILY REPORT:  
Page K 9, item 14 should read...Yangshuo County, in Guilin...  
Page K 9, item 17, line 2 should read...Simao Township and Yunxian, Zhendong, Nanping...

ANHUI ARMY CADRES BEING TRAINED FOR CIVILIAN WORK

OW082012 Hefei Anhui Provincial Service in Mandarin 1100 GMT 8 Jul 81

[Text] The Anhui Provincial Military District has paid close attention to assembling for training army cadres who are being transferred to civilian work. Leading cadres at various levels of the military district have personally taken a hand in this work. They have studied this work and taken prompt action. As a result, the preparations for assembling such cadres for training have been made in a down-to-earth way.

Since the Nanjing PLA units held a conference on cadre work in the latter part of June, the provincial military district has called several meetings to discuss the matter of assembling such cadres for training. Personnel have been assigned to take charge of this work. The provincial military district recently held a meeting of personnel from various military subdistricts, municipalities directly under the provincial authority and the PLA divisions stationed in Anhui in order to enable them to have a better understanding of their tasks in this regard. The organizational preparations for assembling such cadres for training have now been basically completed.

In order to do a good job in this regard, the political department of the provincial military district has issued a circular calling for party committees at various levels to do the following three things:

1. They should include this work on their agendas, discuss it seriously and take measures to do it well. Leading cadres should be assigned to take charge of this work.
2. Training should be carried out according to actual conditions, and ideological questions should be solved. It is necessary to conduct thoroughgoing and painstaking ideological work by using different methods to deal with different people or problems.
3. It is necessary to grasp typical cases and commend advanced persons. Those who acquit themselves well during the training should be commended in good time, and some individuals who fail to set their minds on study should be educated and criticized in order to help them adopt correct views.

JIEFANG RIBAO ON THEORY OF CONTINUED REVOLUTION

HK070001 Shanghai JIEFANG RIBAO in Chinese 23 Jul 81 p 4

[Article by Tang Wensheng [3326 2429 3932] and Jia Chunfeng [6328 2504 1496]: "Correcting the 'Theory of Continuing the Revolution,' and Upholding the Banner of Revolution"—a study of the "Resolution on Certain Questions in the History of Our Party Since the Founding of the PRC"]

[Text] Outline: The concept of revolution has different meanings. It means first of all political revolution or revolution involving the overthrow of one class by another. This is the original sense of revolution. Its second meaning is that, after the establishment of the socialist system, revolutionary spirit should be continuously promoted to consolidate, improve and develop this new social system and to accomplish the historical tasks of socialism and that a revolutionary struggle should be waged in the ultimate transition to communism. This represents a figurative sense. The "Great Cultural Revolution," or the so-called "continued revolution under the dictatorship of the proletariat" that took place 10 years after our socialist political and economic systems were basically established was once defined as a "great political revolution" involving the overthrow of one class by another. This was extremely wrong theoretically and extremely harmful in practice. We must draw a painful lesson therefrom and resolutely rectify this "theory of continued revolution." Through the socialist system itself, we must handle the revolution well in a time of peaceful development—doing so in a well-led, systematic and orderly manner. [end of outline]

The "Resolution on Certain Questions in the History of Our Party Since the Founding of the PRC" sternly exposed and criticized the so-called "theory of continued revolution under the dictatorship of the proletariat." It also pointed out that the ultimate socialist revolutionary tasks had not been accomplished and that the revolutionary banner must be continuously upheld. In the resolution, it was written: "We must resolutely correct the mistake about the slogan of 'continued revolution under the dictatorship of the proletariat' involving the so-called overthrow of one class by another raised during the 'Great Cultural Revolution'. This in no way means that the revolutionary tasks have been accomplished and that it is no longer necessary to resolutely continue revolutionary struggle in various fields." "In the new historical period, our whole body of Chinese Communist Party members and the people of all nationalities of the country must continuously maintain lofty revolutionary ideals and a keen revolutionary militant spirit, carrying the great cause of socialist revolution and construction through to the end." Rectifying "the theory of continued revolution under the dictatorship of the proletariat" does not clash with persistence in upholding the revolutionary banner. On the contrary, the two are entirely in harmony. Our persistence in revolutionary struggle under socialist conditions is basically different from and diametrically opposed to "continued revolution under the dictatorship of the proletariat" involving the so-called overthrow of one class by another.

To have a correct and profound understanding of this problem, we must make a historical study and give a theoretical explanation of the different meanings that this concept contains.

Revolution has two totally different meanings. In Marxist classics, examples abound of the use of the concept of revolution in these two different senses.

The first sense of revolution has to do with political revolution, or revolution involving the overthrow of one class by another. This is the original meaning of revolution. In the book "Poverty of Philosophy," Marx said, "only under conditions marked by the absence of classes and class antagonism, will social evolution be no longer political revolution. Prior to this, the social scientific conclusion on the eve of every overall social transformation is always like this: 'It is either fighting or perdition, and either a bloody battle or destruction. The question is always put this way' (?George San)." ("Collected Works of Marx and Engels," vol 4, p 198) In history, the overthrow of the rule of the slave-owning class by the feudal landlord class with the feudal replacing the slave system, the overthrow of the rule of the feudal landlord class by the bourgeoisie with the bourgeois system replacing the feudal, and the overthrow of the bourgeoisie by the proletariat with the socialist replacing the capitalist system were all marked by heated class antagonism and fell into the category of the overthrow of one class by another.

The proletariat led the people in seizing state power, eliminating the system of exploitation and exploiting classes and establishing socialist political and economic systems. This marked the completion of the proletariat's political and revolutionary tasks. However, the "Great Cultural Revolution," or the so-called "continued revolution under the dictatorship of the proletariat" that took place 10 years after our socialist political and economic systems were basically established for a time defined as a "great political revolution" involving the overthrow of one class by another. This ran entirely counter to the Marxist scientific concept of history and the theory of social revolution. Experience has shown that it was not and could not have been a revolution or social progress in any sense.

In our country, since the establishment of a people's democratic state and especially since the fundamental completion of the socialist transformation of the system of ownership of means of production, the exploiting class has been eliminated as a class and the overwhelming majority of the members of the exploiting class have transformed themselves into self-supporting laborers. Given such historical social conditions, class antagonism within the social field no longer exists and class struggle is no longer the main social contradiction. Of course, class struggle has not completely ended. It still exists within a certain scope.



The proletariat and the revolutionaries must still wage a struggle against counterrevolutionaries and other antisocialist elements. The relations of production must still be readjusted and improved in line with the demands of the development of the productive forces. The superstructure must still be changed and improved to meet the demands of the economic base. Concerning certain defects that really exist in the party and the state organically, a proper assessment and a correct solution must be sought. These remain socialist revolutionary tasks. But the requirements of the revolution and the methods involved are basically different from before. It is not a revolution that calls for replacing the old and hackneyed relations of production with new and advanced relations of production and, still less, shifting state power from one class to another. This is to say that it is no longer a political revolution, but a revolution in another sense. The launching of the "Great Cultural Revolution" or the so-called "great political revolution" involving the overthrow of one class by another under socialist conditions without regard to these fundamental changes in historical social conditions--this is extremely wrong and very dangerous in theory and practice, to borrow the words of George San. Theoretically speaking, such a "great political revolution" entirely departs from the Marxist orbit. It inevitably blurs the line of distinction between socialism and capitalism. It naturally cannot bring back any constructive program. It will surely create great confusion in people's minds. The so-called "theory of continued revolution" represented by the "Great Cultural Revolution" tells us that since classes and class struggle will continue to arise for a long period of time after the abolition of the exploitation system, we must continuously wage a struggle to seize power from the new ruling class. This is inevitably a negation of the fundamental Marxist theory on historical materialism which tells us that only with the relations between the exploited and the exploiter in existence can antagonistic classes be distinguished, and can class struggle arise economically, giving rise to class struggle politically and ideologically. Thus, class struggle will inevitably become a mystical phenomenon without a material foundation and without the guidance of a law. Since in socialist society, there always exists a life-or-death class struggle, the bourgeoisie will also be continuously generated within the Communist Party. Then in what way is socialism superior to capitalism? People will surely be at a loss to understand why socialism is used to take the place of capitalism. Since under socialist conditions, class struggle will become ever more acute, a "great political revolution" like the "Great Cultural Revolution" must be continuously carried on. This will surely make it difficult for people to understand the overall significance of this class struggle and its goals. In a realistic sense, this "great political revolution" has no economic or political basis. It will inevitably create confusion, so that we cannot distinguish between ourselves and the enemy. It will surely cause the spearhead of struggle to be directed at the revolutionary ranks and at the socialist system. It will thus give counterrevolutionaries an opportunity to assert themselves. This will only result in a painful and pathetic situation in which we make trouble to hurt ourselves and invite destruction. Has the history of the 10-year "Great Cultural Revolution" not given ample testimony to this? Just as the "resolution" pointed out, "history has handed down a clear verdict that the 'Great Cultural Revolution' was an internal trouble wrongly started by leaders and exploited by counterrevolutionaries, causing serious disaster to the party, the state and people of all nationalities." We must firmly bear this painful historical lesson in mind and can never repeat the mistake of a so-called "continued revolution" or "great political revolution" involving the overthrow of one class by another.

Another meaning of the revolution is that after the establishment of the socialist system, revolutionary spirit is continuously promoted to consolidate, to improve and develop such a new social system and to accomplish historical socialist tasks and that a revolutionary struggle is waged in the ultimate transition to communism. This is a revolution in its transition, a period of heated class antagonism to one of peaceful development and from the stage of qualitative change to one of quantitative change.

In other words, this represents the figurative sense of revolution. (We may take this occasion to say that the theory of "continued revolution and development of revolution in stages" mentioned by our party and Comrade Mao Zedong in 1958 falls into the category of revolution in this figurative sense. Our frequent mention of "technical revolution," "scientific revolution," and so on especially has this sense. It is just an analogy. Our use in the past of such wording as "the three major revolutionary movements of production struggle, class struggle and scientific experiment" meant lumping the different meanings of revolution or lumping things of different nature together.)

The establishment of the socialist system and the abolition of the exploitation system and exploiting classes do not mean the accomplishment of the historical tasks of socialism. These tasks call not only for abolishing all exploitation systems and exploiting classes but also for gradually eliminating all class differences and gradually doing away with major social differences and social inequality arising from the inadequate development of social productive forces, until the realization of communism. This is a great revolution, unprecedentedly profound in the history of mankind. To overthrow the rule of the exploiting classes and eliminate exploitation systems and exploiting classes is a stage of qualitative change in this great revolution. To gradually eliminate all class differences and major social differences and social inequality is a stage of quantitative change in this great revolution. In other words, this is a stage preparatory to transition to communism. Of course, such a stage of quantitative change is also marked by some qualitative changes. The tasks in the latter case are more profound and arduous than in the former case. They can be realized only on the basis of great development of social productive forces, great perfection marking the socialist relations of production and the superstructure, and a greatly raised degree of political consciousness or cultural standard on the part of people. Therefore, to achieve these tasks calls for a very long period of time and persistent and elaborate efforts for many generations. Even with the socialist system established and the exploitation system and exploiting classes eliminated, a developed capitalist country cannot project the realization, within a very short period of time, of the task of eliminating all class differences and major social differences and social inequality. For a country like ours, which was originally very backward economically, to accomplish this task naturally takes a longer period of time. Even after our average output value based on the population and on our labor productivity catch up with those of economically developed countries in the future, we must continue to make tremendous efforts to develop the social productive forces. Only in this way can we further narrow and eliminate the gaps between workers and peasants, between town and countryside and between manual and mental work. In a large multinational country like ours with a vast area and an unbalanced state of development, we must undoubtedly spend a longer period of time and make more arduous efforts if we are to gradually narrow and generally eliminate the differences between areas and between nationalities in regard to economic and cultural development. Only with this task accomplished can we claim to have completed the historical tasks of socialism. And only in this way can we claim to have accomplished the revolutionary tasks of socialism and completed preparations for transition to communism.

From this, it can be seen that with the exploitation system and exploiting classes eliminated, our revolutionary tasks of socialism will for a very long period of time still involve class struggle within a certain scope and the maintenance of a high degree of vigilance and the waging of a resolute and effective struggle against the disruptive activities of an extremely small number of enemies to safeguard revolutionary interests. But these tasks do not chiefly concern class struggle. Instead, we must draw on the state's strength to energetically develop productive forces and, at the same time, strive to improve and develop the socialist relations of production and the superstructure, to meet the demands of productive forces. Therefore, it can be said that the revolutionary tasks of socialism are those involving socialist construction.



The revolution at this stage is totally different from the political revolution before the overthrow of the exploitation system. It does not find expression through heated class antagonism and clashes but proceeds through the socialist system itself in a well-led, systematic and orderly manner. In sum, what we must uphold at present and in future is a socialist revolution which is marked by a stage of peaceful development and possesses a sense of quantitative change. This calls for concentrating forces on continuously developing social productive forces and, on this basis, gradually improving and developing the socialist economic and political systems, gradually raising the people's political consciousness and their cultural and educational levels and gradually accomplishing the historical tasks of socialism and realizing the ultimate goal of communism.

#### BRIEFS

**ANHUI EXPORT TRADE**--Anhui has made progress in the development of its foreign trade in the past 2 years. This was reported by Hou Yong, vice governor of the province and chairman of the provincial import-export administrative committee, at the ninth session of the fifth provincial People's Congress Standing Committee. The value of goods procured for export in 1978, 1979 and 1980 was respectively 482, 637 and 714 million yuan. The administrative committee has established relations with financial, industrial and commercial representatives of more than 20 countries and Hong Kong and Macao. [Hefei Anhui Provincial Service in Mandarin 1100 GMT 28 Jul 81 OW]

**SHANDONG TEXTILE INDUSTRY**--Textile enterprises in Jinan Municipality, Shandong Province, scored successes in increasing production and economizing. In the first 6 months of 1981, the industrial output value increased 15.4 percent over the corresponding 1980 period; profits increased 25.3 percent. Some 220 varieties with 760 designs were produced in the first half of this year. [Jinan Shandong Provincial Service in Mandarin 2300 GMT 2 Jul 81 SK]

**SHANDONG INDUSTRY**--Industrial and communications enterprises in Shandong Province have instituted economic responsibility systems to increase production. Compared with the first 3 months of 1981, the second quarter industrial output value increased 18.72 percent. The provincial coal industry suffered a deficit of 13.57 million yuan in the first 3 months of 1981. However, in April it earned profits of 570,000 yuan. In May and June, it earned 9.02 million yuan. The semiannual industrial output value in Yantai Prefecture registered a 7.45 percent increase over that of the corresponding 1980 period. Its semiannual profits turned over to the state marked a 10.5 percent increase. [Jinan Shandong Provincial Service in Mandarin 2300 GMT 29 Jul 81 SK]

**SHANGHAI ENTERPRISE**--Since its establishment 2 years ago, the Shanghai exchange for means of production has had a sales volume of more than 650 million yuan. It has consignment contracts with more than 2,100 enterprises and business relations with more than 14,000 units. Its average daily transactions amount to some 300,000 yuan. [Beijing Domestic Service in Mandarin 1200 GMT 27 Jul 81 OW]

**ZHEJIANG SALT PRODUCTION**--Zhejiang Province produced 280,000 dun of salt during the first 7 months of this year, more than double that in the same period of last year or 10 percent more than in the same period of 1979, the previous record period. The quality of sale has also improved. The sodium chloride content of the salt produced this year exceeds 90 percent. [Hangzhou Zhejiang Provincial Service in Mandarin 0400 GMT 6 Aug 81 OW]



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